

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1001 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 taxation.
- 4 Page 1, delete lines 1 through 16, begin a new paragraph and insert:
- 5 "SECTION 1. IC 6-1.1-12-0.7, AS AMENDED BY P.L.99-2007,
- 6 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JANUARY 1, 2009]: Sec. 0.7. Any individual who is sixty-five (65)
- 8 years of age, is blind, or has a disability (within the meaning of section
- 9 11 of this chapter (**before its repeal**)) may appoint an individual
- 10 eighteen (18) years of age or older to act on the individual's behalf for
- 11 purposes of filing property tax deduction statements for any deductions
- 12 provided by this chapter. If a statement is filed by an appointee, the
- 13 appointee's name, address, and telephone number must be included in
- 14 the statement.
- 15 SECTION 2. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007,
- 16 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 17 JANUARY 1, 2009]: Sec. 17.8. (a) An individual who receives a
- 18 deduction provided under section 1, ~~9; 11;~~ 13, 14, 16, or 17.4 of this
- 19 chapter in a particular year and who remains eligible for the deduction
- 20 in the following year is not required to file a statement to apply for the
- 21 deduction in the following year.
- 22 (b) An individual who receives a deduction provided under section
- 23 1, ~~9; 11;~~ 13, 14, 16, or 17.4 of this chapter in a particular year and who
- 24 becomes ineligible for the deduction in the following year shall notify
- 25 the auditor of the county in which the real property, mobile home, or
- 26 manufactured home for which the individual claims the deduction is
- 27 located of the individual's ineligibility before June 11 of the year in
- 28 which the individual becomes ineligible.
- 29 (c) The auditor of each county shall, in a particular year, apply a
- 30 deduction provided under section 1, ~~9; 11;~~ 13, 14, 16, or 17.4 of this
- 31 chapter to each individual who received the deduction in the preceding

year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, ~~9, 11~~, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

(1) the individual is the sole owner of the property following the death of the individual's spouse;

(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or

(3) the individual is awarded sole ownership of the property in a divorce decree.

(e) A trust entitled to a deduction under section ~~9, 11~~, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

(1) the individual who occupies the real property receives a deduction provided under section ~~9, 11~~, 13, 14, 16, or 17.4 of this chapter in a particular year; and

(2) the trust remains eligible for the deduction in the following year.

SECTION 3. IC 6-1.1-12-17.9, AS ADDED BY P.L.95-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17.9. A trust is entitled to a deduction under section ~~9, 11~~, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

(1) upon verification in the body of the deed or otherwise, has a beneficial interest in the trust;

(2) otherwise qualifies for the deduction; and

(3) would be considered the owner of the real property under IC 6-1.1-1-9(f).

SECTION 4. IC 6-1.1-12-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 43. (a) For purposes of this section:

(1) "benefit" refers to:

(A) a deduction under section 1, ~~9, 11~~, 13, 14, 16, 17.4, 26, 29, 31, 33, or 34 of this chapter; or

(B) the homestead credit under IC 6-1.1-20.9-2;

(2) "closing agent" means a person that closes a transaction;

(3) "customer" means an individual who obtains a loan in a transaction; and

(4) "transaction" means a single family residential:

(A) first lien purchase money mortgage transaction; or

(B) refinancing transaction.

(b) Before closing a transaction after December 31, 2004, a closing

agent must provide to the customer the form referred to in subsection (c).

(c) Before June 1, 2004, the department of local government finance shall prescribe the form to be provided by closing agents to customers under subsection (b). The department shall make the form available to closing agents, county assessors, county auditors, and county treasurers in hard copy and electronic form. County assessors, county auditors, and county treasurers shall make the form available to the general public. The form must:

(1) on one (1) side:

(A) list each benefit;

(B) list the eligibility criteria for each benefit; and

(C) indicate that a new application for a deduction under section 1 of this chapter is required when residential real property is refinanced;

(2) on the other side indicate:

(A) each action by; and

(B) each type of documentation from;

the customer required to file for each benefit; and

(3) be printed in one (1) of two (2) or more colors prescribed by the department of local government finance that distinguish the form from other documents typically used in a closing referred to in subsection (b).

(d) A closing agent:

(1) may reproduce the form referred to in subsection (c);

(2) in reproducing the form, must use a print color prescribed by the department of local government finance; and

(3) is not responsible for the content of the form referred to in subsection (c) and shall be held harmless by the department of local government finance from any liability for the content of the form.

(e) A closing agent to which this section applies shall document its compliance with this section with respect to each transaction in the form of verification of compliance signed by the customer.

(f) A closing agent is subject to a civil penalty of twenty-five dollars (\$25) for each instance in which the closing agent fails to comply with this section with respect to a customer. The penalty:

(1) may be enforced by the state agency that has administrative jurisdiction over the closing agent in the same manner that the agency enforces the payment of fees or other penalties payable to the agency; and

(2) shall be paid into the property tax replacement fund.

A closing agent is not liable for any other damages claimed by a customer because of the closing agent's mere failure to provide the appropriate document to the customer.

(g) The state agency that has administrative jurisdiction over a closing agent shall:

(1) examine the closing agent to determine compliance with this section; and

(2) impose and collect penalties under subsection (f).

SECTION 5. IC 6-1.1-12-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 44. A deduction under this chapter, other than a deduction under section 1 of this chapter, does not apply to a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g). This chapter, except section 1 of this chapter, does not apply to residential property that would qualify as a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g) if an individual or owner filed for a homestead credit under IC 6-1.1-20.9.**

SECTION 6. IC 6-1.1-12.1-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 16. A deduction under this chapter does not apply to a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g). This chapter does not apply to residential property that would qualify as a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g) if an individual or owner filed for a homestead credit under IC 6-1.1-20.9.**

SECTION 7. IC 6-1.1-20.9-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 0.5. (a) As used in this chapter, "household" means, for any individual and for any taxable year:**

(1) the individual; and

(2) other persons residing with the individual in the principal dwelling at any time during the taxable year for thirty (30) or more days in the taxable year.

A person who is hired as a bona fide employee to provide personal care to a member of the household and who is not related to the person for whom the care is provided shall not be considered to be a member of the household.

(b) As used in this chapter, "household income" means federal adjusted gross income received in the taxable year:

(1) including an assessment date, if the homestead is taxed as real property; and

(2) immediately preceding the taxable year, including an assessment date, if the homestead is a manufactured home or mobile home taxed as personal property;

by all individuals of a household while members of that household.

(c) As used in this chapter, "federal adjusted gross income" means adjusted gross income (as defined in Section 62 of the Internal Revenue Code).

SECTION 8. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007,

SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on March 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

(b) The amount of the credit to which the individual is entitled equals the product of:

- (1) the percentage prescribed in subsection (d); multiplied by
- (2) the amount of the individual's property tax liability **(limited only for assessment dates before January 16, 2008, as that term is defined in IC 6-1.1-21-5) which that is**
 - ~~(A) attributable to the homestead during the particular calendar year. and~~
 - ~~(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.~~

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, ~~all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1~~ **a deduction from assessed value under IC 6-1.1-12-1** for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property. **A homestead credit granted under this chapter applies before any additional credits granted under this article or IC 6-3.5 in the manner prescribed by the department of local government finance.**

(d) The percentage of the credit referred to in subsection (b)(1) is ~~as follows:~~ **for assessment dates before January 16, 2008, twenty percent (20%).**

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 through 2005	20%
2006	28%
2007 and thereafter	20%

The percentage of the credit referred to in subsection (b)(1) is the following for assessment dates after January 15, 2008:

- (1) Ninety percent (90%), if the individual's household income is less than thirty-five thousand dollars (\$35,000).**
- (2) Seventy-five percent (75%), if the individual's household income is at least thirty-five thousand dollars (\$35,000) but**

1 less than fifty thousand dollars (\$50,000).

2 (3) Sixty-two percent (62%), if the individual's household
3 income is at least fifty thousand dollars (\$50,000) but less than
4 seventy-five thousand dollars (\$75,000).

5 (4) Fifty-two percent (52%), if the individual's household
6 income is at least seventy-five thousand dollars (\$75,000) but
7 less than one hundred thousand dollars (\$100,000).

8 (5) Forty percent (40%), if the individual's household income
9 is one hundred thousand dollars (\$100,000) or more.

10 However, the percentage credit allowed in a particular county for a
11 particular year shall be increased if on January 1 of a year an ordinance
12 adopted by a county income tax council was in effect in the county
13 which increased the homestead credit. The amount of the increase
14 equals the amount designated in the ordinance.

15 (e) Before October 1 of each year, the assessor shall furnish to the
16 county auditor the amount of the assessed valuation of each homestead
17 for which a homestead credit has been properly filed under this chapter.

18 (f) The county auditor shall apply the credit ~~equally to each~~
19 ~~installment of taxes that the individual pays for the property: as~~
20 **provided under section 7 of this chapter.**

21 (g) Notwithstanding the provisions of this chapter, a taxpayer other
22 than an individual is entitled to the credit provided by this chapter if:

23 (1) an individual uses the residence as the individual's principal
24 place of residence;

25 (2) the residence is located in Indiana;

26 (3) the individual has a beneficial interest in the taxpayer;

27 (4) the taxpayer either owns the residence or is buying it under a
28 contract, recorded in the county recorder's office, that provides
29 that the individual is to pay the property taxes on the residence;
30 and

31 (5) the residence consists of a single-family dwelling and the real
32 estate, not exceeding one (1) acre, that immediately surrounds
33 that dwelling.

34 SECTION 9. IC 6-1.1-20.9-7 IS ADDED TO THE INDIANA
35 CODE AS A NEW SECTION TO READ AS FOLLOWS
36 [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) The department of state**
37 **revenue shall establish a program to certify to individuals the**
38 **homestead percentage that applies to the individual under section**
39 **2 of this chapter. The department of local government finance may**
40 **require an individual to provide the information required by the**
41 **department of state revenue to determine the credit.**

42 (b) The department of state revenue shall compute the credit to
43 which an individual is entitled under this chapter and certify the
44 percentage to the individual and the county auditor where the
45 individual's homestead is located.

46 (c) An individual may reduce each installment of the property
47 tax liability paid for a homestead for any assessment date after

January 15, 2008, by the percentage certified by the department of state revenue if the individual provides to the county auditor with the individual's payment a copy of the homestead credit percentage determination made by the department of state revenue. The individual may obtain a refund of any amount paid in excess of the amount due after applying the individual's homestead credit by submitting an application for a refund that includes a copy of the homestead credit percentage determination made by the department of state revenue.

(d) The county auditor shall include in the statements issued or transmitted under IC 6-1.1-22-8 or IC 6-1.1-22.5 instructions on how to apply a credit granted under this chapter.

(e) The department of local government finance may adopt rules under IC 4-22-2 and prescribe standards and procedures to implement this chapter.

SECTION 10. IC 6-1.1-21-2, AS AMENDED BY P.L.1-2007, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5 is to be filed each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy; minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

(i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after

- 1 December 31, 1982; plus
- 2 (ii) the sum of any increases in property tax levies of taxing
- 3 units of the county that result from any other appeals
- 4 described in IC 6-1.1-18.5-13 filed after December 31,
- 5 1983; plus
- 6 (iii) IC 6-1.1-18.6-3 (children in need of services and
- 7 delinquent children who are wards of the county) (before its
- 8 repeal); minus
- 9 (C) the total amount of property taxes imposed for the stated
- 10 assessment year by the taxing units of the county under the
- 11 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
- 12 IC 12-19-5, or IC 12-20-24; minus
- 13 (D) the total amount of property taxes to be paid during the
- 14 stated assessment year that will be used to pay for interest or
- 15 principal due on debt that:
- 16 (i) is entered into after December 31, 1983;
- 17 (ii) is not debt that is issued under IC 5-1-5 to refund debt
- 18 incurred before January 1, 1984; and
- 19 (iii) does not constitute debt entered into for the purpose of
- 20 building, repairing, or altering school buildings for which
- 21 the requirements of IC 20-5-52 (repealed) were satisfied
- 22 prior to January 1, 1984; minus
- 23 (E) the amount of property taxes imposed in the county for the
- 24 stated assessment year under the authority of IC 21-2-6
- 25 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
- 26 cumulative building fund whose property tax rate was initially
- 27 established or reestablished for a stated assessment year that
- 28 succeeds the 1983 stated assessment year; minus
- 29 (F) the remainder of:
- 30 (i) the total property taxes imposed in the county for the
- 31 stated assessment year under authority of IC 21-2-6
- 32 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
- 33 cumulative building fund whose property tax rate was not
- 34 initially established or reestablished for a stated assessment
- 35 year that succeeds the 1983 stated assessment year; minus
- 36 (ii) the total property taxes imposed in the county for the
- 37 1984 stated assessment year under the authority of IC 21-2-6
- 38 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
- 39 cumulative building fund whose property tax rate was not
- 40 initially established or reestablished for a stated assessment
- 41 year that succeeds the 1983 stated assessment year; minus
- 42 (G) the amount of property taxes imposed in the county for the
- 43 stated assessment year under:
- 44 (i) IC 21-2-15 (before its repeal) or IC 20-46-6 for a capital
- 45 projects fund; plus
- 46 (ii) IC 6-1.1-19-10 (before its repeal) or IC 20-46-3 for a
- 47 racial balance fund; plus

- 1 (iii) IC 36-12-12 for a library capital projects fund; plus
- 2 (iv) IC 36-10-13-7 for an art association fund; plus
- 3 (v) IC 21-2-17 (before its repeal) or IC 20-46-2 for a special
- 4 education preschool fund; plus
- 5 (vi) IC 21-2-11.6 (before its repeal) or IC 20-46-1 for a
- 6 referendum tax levy fund; plus
- 7 (vii) an appeal filed under IC 6-1.1-19-5.1 (before its repeal)
- 8 or IC 20-45-6-8 for an increase in a school corporation's
- 9 maximum permissible tuition support levy for certain
- 10 transfer tuition costs; plus
- 11 (viii) an appeal filed under IC 6-1.1-19-5.4 (before its
- 12 repeal) or IC 20-46-4-10 for an increase in a school
- 13 corporation's maximum permissible transportation fund levy
- 14 for transportation operating costs; minus
- 15 (H) the amount of property taxes imposed by a school
- 16 corporation that is attributable to the passage, after 1983, of a
- 17 referendum for an excessive tax levy under IC 6-1.1-19-4.5
- 18 (before its repeal), including any increases in these property
- 19 taxes that are attributable to the adjustment set forth in
- 20 IC 6-1.1-19-1.5 (before its repeal), IC 20-45-3, or any other
- 21 law; minus
- 22 (I) for each township in the county, the lesser of:
- 23 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
- 24 STEP THREE (as effective January 1, 1990) or
- 25 IC 6-1.1-18.5-19(b) STEP THREE (as effective January 1,
- 26 1990), whichever is applicable, plus the part, if any, of the
- 27 township's ad valorem property tax levy for calendar year
- 28 1989 that represents increases in that levy that resulted from
- 29 an appeal described in IC 6-1.1-18.5-13(4) (as effective
- 30 before January 1, 1989), filed after December 31, 1982; or
- 31 (ii) the amount of property taxes imposed in the township for
- 32 the stated assessment year under the authority of
- 33 IC 36-8-13-4; minus
- 34 (J) for each participating unit in a fire protection territory
- 35 established under IC 36-8-19-1, the amount of property taxes
- 36 levied by each participating unit under IC 36-8-19-8 and
- 37 IC 36-8-19-8.5 less the maximum levy limit for each of the
- 38 participating units that would have otherwise been available
- 39 for fire protection services under IC 6-1.1-18.5-3 and
- 40 IC 6-1.1-18.5-19 for that same year; minus
- 41 (K) for each county, the sum of:
- 42 (i) the amount of property taxes imposed in the county for
- 43 the repayment of loans under IC 12-19-5-6 (repealed) that is
- 44 included in the amount determined under IC 12-19-7-4(a)
- 45 STEP SEVEN (as effective January 1, 1995) for property
- 46 taxes payable in 1995, or for property taxes payable in each
- 47 year after 1995, the amount determined under

- 1 IC 12-19-7-4(b) (as effective before March 16, 2004) and
 2 IC 12-19-7-4 (as effective after March 15, 2004); and
 3 (ii) the amount of property taxes imposed in the county
 4 attributable to appeals granted under IC 6-1.1-18.6-3 (before
 5 its repeal) that is included in the amount determined under
 6 IC 12-19-7-4(a) STEP SEVEN (as effective January 1,
 7 1995) for property taxes payable in 1995, or the amount
 8 determined under IC 12-19-7-4(b) (as effective before
 9 March 16, 2004) and IC 12-19-7-4 (as effective after March
 10 15, 2004) for property taxes payable in each year after 1995;
 11 plus
 12 (2) all taxes to be paid in the county in respect to mobile home
 13 assessments currently assessed for the year in which the taxes
 14 stated in the abstract are to be paid; plus
 15 (3) the amounts, if any, of county adjusted gross income taxes that
 16 were applied by the taxing units in the county as property tax
 17 replacement credits to reduce the individual levies of the taxing
 18 units for the assessment year, as provided in IC 6-3.5-1.1; plus
 19 (4) the amounts, if any, by which the maximum permissible ad
 20 valorem property tax levies of the taxing units of the county were
 21 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
 22 assessment year; plus
 23 (5) the difference between:
 24 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 25 minus
 26 (B) the amount the civil taxing units' levies were increased
 27 because of the reduction in the civil taxing units' base year
 28 certified shares under IC 6-1.1-18.5-3(e).
 29 (h) "December settlement sheet" means the certificate of settlement
 30 filed by the county auditor with the auditor of state, as required under
 31 IC 6-1.1-27-3.
 32 (i) "Tax duplicate" means the roll of property taxes that each county
 33 auditor is required to prepare each year under IC 6-1.1-22-3.
 34 (j) "Eligible property tax replacement amount" is, except as
 35 otherwise provided by law, equal to the sum of the following:
 36 (1) Sixty percent (60%) of the total county tax levy imposed by
 37 each school corporation in a county for its general fund for a
 38 stated assessment year **imposed on tangible property, except**
 39 **homesteads.**
 40 (2) Twenty percent (20%) of the total county tax levy (less sixty
 41 percent (60%) of the levy for the general fund of a school
 42 corporation that is part of the total county tax levy) imposed in a
 43 county on real property for a stated assessment year, **except**
 44 **homesteads.**
 45 (3) Twenty percent (20%) of the total county tax levy (less sixty
 46 percent (60%) of the levy for the general fund of a school
 47 corporation that is part of the total county tax levy) imposed in a

county on tangible personal property, excluding business personal property **and homesteads**, for an assessment year.

(k) "Business personal property" means tangible personal property (other than real property) that is being:

- (1) held for sale in the ordinary course of a trade or business; or
- (2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means, except as otherwise provided by law, the sum of the following:

(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed by a school corporation for its general fund for a stated assessment year **on tangible property other than a homestead.**

(2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property **other than a homestead.**

(3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible personal property other than business personal property **or a homestead.**

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

(o) "Board" refers to the property tax replacement fund board established under section 10 of this chapter.

(p) "Homestead" refers to a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g). The term includes residential property that would qualify as a homestead (as defined in IC 6-1.1-20.9-1) or tangible property described in IC 6-1.1-20-2(g) if an individual or owner filed for a homestead credit under IC 6-1.1-20.9."

Delete pages 2 through 294.

Page 295, delete lines 1 through 24.

Page 300, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 17. IC 6-3-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use as the individual's principal place of residence may deduct from the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the lesser of:

- (1) the amount of rent paid by the individual with respect to the

dwelling during the taxable year; or

(2) ~~two five thousand five hundred~~ dollars ~~(\$2,500)~~: **(\$5,000)**.

(b) Notwithstanding subsection (a), a husband and wife filing a joint adjusted gross income tax return for a particular taxable year may not claim a deduction under this section of more than ~~two five thousand five hundred~~ dollars ~~(\$2,500)~~: **(\$5,000)**.

(c) The deduction provided by this section does not apply to an individual who rents a dwelling that is exempt from Indiana property tax.

(d) For purposes of this section, a "dwelling" includes a single family dwelling and unit of a multi-family dwelling.

SECTION 18. IC 6-3.1-21-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 6. (a) An individual who is eligible for an earned income tax credit under Section 32 of the Internal Revenue Code is eligible for a credit under this chapter equal to ~~six percent (6%)~~ **nine percent (9%)** of the amount of the federal earned income tax credit that the individual:

(1) is eligible to receive in the taxable year; and

(2) claimed for the taxable year;

under Section 32 of the Internal Revenue Code.

(b) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess, less any advance payments of the credit made by the taxpayer's employer under IC 6-3-4-8 that reduce the excess, shall be refunded to the taxpayer.

SECTION 19. IC 8-9.5-8-17, AS AMENDED BY P.L.99-2007, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17. The authority shall study and implement programs to assist in the transportation of military veterans or individuals with a disability (as defined in IC 6-1.1-12-11 **(before its repeal)**) who travel on a toll road to or from a hospital for treatment. However, a program may not be inconsistent with the trust indenture securing the bonds of the toll road.

SECTION 20. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-12-9; IC 6-1.1-12-10.1; IC 6-1.1-12-11; IC 6-1.1-12-12; IC 6-1.1-12-37.

SECTION 21. [EFFECTIVE UPON PASSAGE] (a) **IC 6-1.1-20.9-2, as amended by this act, the repeal of IC 6-1.1-12-9, IC 6-1.1-12-11, and IC 6-1.1-12-37 by this act, and the elimination by this act of all other deductions for homesteads apply to property taxes imposed for an assessment date after January 15, 2008.**

(b) IC 6-3-2-6 and IC 6-3.1-21-6, both as amended by this act, apply only to taxable years beginning after December 31, 2007."

Delete pages 301 through 768.

Page 769, delete lines 1 through 10.

Page 769, line 11, delete "(b)" and insert "(c)".

Page 769, line 32, delete "(c)" and insert "(d)".

Page 769, delete lines 38 through 42.

- 1 Delete pages 770 through 778.
- 2 Page 779, delete lines 1 through 7.
- 3 Renumber all SECTIONS consecutively.
(Reference is to EHB 1001 as printed February 20, 2008.)

Senator SIMPSON